

State of Hawaii  
Department of Health  
Adult Mental Health Division

Request for Proposals

RFP # HTH 420-3-06  
Interim Housing (Statewide)

Date Issued  
August 1, 2005

Date Due  
September 15, 2005

Note: If this RFP was downloaded from the State Procurement Office RFP Website each applicant must provide contact information to the RFP contact person for this RFP to be notified of any changes. For your convenience, an [RFP Interest form](#) may be downloaded to your computer, completed and e-mailed or mailed to the RFP contact person. The State shall not be responsible for any missing addenda, attachments or other information regarding the RFP if a proposal is submitted from an incomplete RFP.

August 1, 2005

## **REQUEST FOR PROPOSALS**

### **INTERIM HOUSING (STATEWIDE)** **RFP No. HTH 420-3-06**

The Department of Health, Adult Mental Health Division is requesting proposals from qualified applicants to provide interim housing (statewide). The contract term will be from January 1, 2006 through June 30, 2006. Multiple contracts may be awarded under this request for proposals.

Proposals shall be mailed and postmarked by the United State Postal Service on or before September 15, 2005, or hand delivered no later than 4:30 p.m., Hawaii Standard Time (HST), on September 15, 2005, at the drop-off site designated on the Proposal Mail-in and Delivery Information Sheet. Proposals postmarked or hand delivered after the submittal deadline shall be considered late and rejected. There are no exceptions to this requirement.

The Adult Mental Health Division will conduct a videoconference orientation on August 11, 2005 from 11:30 a.m. to 12:20 p.m. HST, at:

Oahu: Keoni Ana Bldg., 1177 Alakea Street, Room 302, Honolulu

Hawaii: Hilo State Office Bldg., 75 Aupini Street, Basement, Hilo

Maui: Wailuku Judiciary Bldg., 2145 Main Street, 1<sup>st</sup> Floor, Wailuku

Kauai: Lihue State Office Bldg., 3060 Eiwa Street, Lihue

The deadline for submission of written questions is 4:30 p.m. HST on August 18, 2005. All written questions will receive a written response from the State on or about August 23, 2005.

Inquiries regarding this RFP should be directed to the RFP contact person is Mr. Ray Gagner at 1250 Punchbowl Street, Room 256, Honolulu, Hawaii 96816, telephone: (808) 586-4688, fax: (808) 586-4745.

## PROPOSAL MAIL-IN AND DELIVERY INFORMATION SHEET

**NUMBER OF COPIES TO BE SUBMITTED:  
THE 12 COPIES MUST INCLUDE ONE (1) SIGNED ORIGINAL AND ONE (1) SINGLE  
SIDED, UNBOUND COPY.**

**ALL MAIL-INS MUST BE POSTMARKED BY UNITED STATES POSTAL SERVICE  
(USPS) NO LATER THAN  
September 15, 2005**

<u><b>All Mail-ins</b></u>	<u><b>Drop-off Site</b></u>	<u><b>RFP Contact Person</b></u>
Department of Health	Department of Health	Ray Gagner
Adult Mental Health Division	Adult Mental Health Division	For further info. or inquiries
P.O. Box 3378	P.O. Box 3378	Phone: (808) 586-4688
Honolulu, Hawaii 96801-3378	Honolulu, Hawaii 96801-3378	Fax: (808) 586-4745

**ALL HAND DELIVERIES WILL BE ACCEPTED AT THE FOLLOWING SITES UNTIL  
4:00 P.M., Hawaii Standard Time (HST) September 15, 2005.**

**BE ADVISED:** All mail-ins postmarked by USPS after **September 15, 2005**, will be rejected.

Hand deliveries will **not** be accepted after **4:00 p.m., HST, September 15, 2005.**

Deliveries by private mail services such as FEDEX shall be considered hand deliveries and will not be accepted if received after **4:00 p.m., HST, September 15, 2005.**

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# **Section 1**

## **Administrative Overview**

# Section 1

## Administrative Overview

**Applicants are encouraged to read each section of RFP thoroughly. While sections such as the administrative overview may appear similar among RFP's, state purchasing agencies may add additional information as applicable. It is the responsibility of the applicant to understand the requirements of *each* RFP.**

### **I. Authority**

This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS), Chapter 103F and its administrative rules. All prospective applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective applicant shall constitute admission of such knowledge on the part of such prospective applicant. Failure to comply with any requirements may result in the rejection of the proposal.

Applicants are advised that the entire RFP, appendices, amendments, memorandum, written responses to questions and answers, and the corresponding proposal shall be a part of the contract with the successful applicant.

### **II. RFP Organization**

This RFP is organized into five sections:

***Section 1, Administrative Overview***--Provides applicants with an overview of the procurement process.

***Section 2, Service Specifications***--Provides applicants with a general description of the tasks to be performed, delineates applicant responsibilities, and defines deliverables (as applicable).

***Section 3, Proposal Application Instructions***--Describes the required format and content for the proposal application.

***Section 4, Proposal Evaluation***--Describes how proposals will be evaluated by the state purchasing agency.

***Section 5, Attachments*** --Provides applicants with information and forms necessary to complete the application.

### III. Contracting Office

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing provider performance. The Contracting Office is:

**Adult Mental Health Division**  
**Department of Health**  
**1250 Punchbowl Street, Room 256**  
**Honolulu, Hawaii 96813**  
**Phone: (808)586-4688      Fax: (808)586-4745**

### IV. Procurement Timetable

**Note that the procurement timetable represents the State's best estimated schedule. Contract start dates may be subject to the issuance of a notice to proceed.**

Activity	Scheduled Date
Public notice announcing RFP	8/1/05
Distribution of RFP	8/1/05
RFP orientation session	8/11/05
Closing date for submission of written questions for written responses	8/18/05
State purchasing agency's response to applicants' written questions	8/23/05
Discussions with applicant prior to proposal submittal deadline (optional)	
Proposal submittal deadline	9/15/05
Discussions with applicant after proposal submittal deadline (optional)	
Final revised proposals (optional)	
Proposal evaluation period	9/20/05 – 10/7/05
Provider selection	10/7/05
Notice of statement of findings and decision	10/14/05
Contract start date	1/1/06

### V. Orientation

An orientation for applicants in reference to the request for proposals will be held as follows:

**Date:** August 11, 2005 **Time:** 11:30 a.m. – 12:20 p.m.

**Location:** Oahu: Keoni Ana Bldg., Room 302, 1177 Alakea St., Honolulu

**Maui: Wailuku Judiciary Bldg., First Floor, 2145 Main St.,  
Wailuku**

**Kauai: Lihue State Office Bldg., Basement, 3060 Eiwa St., Lihue**

**Hilo: Hilo State Office Bldg., Basement, 75 Aupuni Street, Hilo**

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Applicants are encouraged to submit written questions prior to the orientation. Impromptu questions will be permitted at the orientation and spontaneous answers provided at the state purchasing agency's discretion. However, answers provided at the orientation are only intended as general direction and may not represent the state purchasing agency's position. Formal official responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation, but no later than the submittal deadline for written questions indicated in the next paragraph (VI. Submission of Questions).

## **VI. Submission of Questions**

Applicants may submit questions to the RFP Contact Person identified in Section 2 of this RFP. All written questions will receive a written response from the state purchasing agency.

Deadline for submission of written questions:

**Date:** August 16, 2005 **Time:** 4:30 P.M. HST

State agency responses to applicant written questions will be provided by:

**Date:** August 23, 2005

Applicants shall submit questions in writing, and/or on diskette in Word 2000 format or lower to the RFP Contact Person. The written questions shall reference the RFP section, page and paragraph number.

Only correspondence coordinated by the RFP Contact Person shall be considered valid. No verbal responses shall be considered as official. All questions regarding the RFP must be directed to the RFP Contact Person.

## **VII. Submission of Proposals**

- A. Forms/Formats** - Forms, with the exception of program specific requirements, may be found on the State Procurement Office website at: [www.spo.hawaii.gov](http://www.spo.hawaii.gov), click *Procurement of Health and Human Services*

and *For Private Providers*. Refer to the Proposal Application Checklist for the location of program specific forms.

1. **Proposal Application Identification (Form SPO-H-200)** - Provides identification of the proposal.
2. **Proposal Application Checklist** – Provides applicants with information on where to obtain the required forms; information on program specific requirements; which forms are required and the order in which all components should be assembled and submitted to the state purchasing agency, located in Section 5, Attachment A.
3. **Table of Contents** - A sample table of contents for proposals is located in Section 5, Attachment B. This is a sample and meant as a guide. The table of contents may vary depending on the RFP.
4. **Proposal Application (Form SPO-H-200A)** - Applicant shall submit comprehensive narratives that addresses all of the issues contained in the Proposal Application Instructions, including a cost proposal/budget if required. (Refer to Section 3 of this RFP.)
5. **Registration Form (SPO-H-100A)** – If applicant is not registered with the State Procurement Office (business status), this form must be submitted with the application. If applicant is unsure as to their registration status, they may check the State Procurement Office website at: <http://www.spo.hawaii.gov>, click *Procurement of Health and Human Services*, and *For Private Providers and Provider Lists...The List of Registered Private Providers for Use with the Competitive Method of Procurement* or call the State Procurement Office at (808) 587-4706.
6. **Tax Clearance** – A certified copy of a current valid tax clearance certificate issued by the State of Hawaii, Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) will be required either at the time of proposal submittal or upon notice of award at the discretion of the purchasing agency.

Refer to Section 4, item III.A.1, Administrative Requirements, and the Proposal Application Checklist to see if the tax clearance is required at time of proposal submittal. The tax clearance application may be obtained from the Department of Taxation website at [www.hawaii.gov/tax/tax.html](http://www.hawaii.gov/tax/tax.html).

- B. Program Specific Requirements** - Additional program specific requirements are included in Sections 2 and/or 3, Service Specifications and the Proposal Application Instructions, as applicable. If Federal and/or

State certifications are required, they are listed on the Proposal Application Checklist.

- C. Multiple or Alternate Proposals** - Multiple or alternate proposals shall not be accepted unless specifically provided for in Section 2 of this RFP. In the event alternate proposals are not accepted and an applicant submits alternate proposals, but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the applicant.
  
- D. Proposal Submittal** - Proposals must be postmarked by USPS or hand delivered by the date and time designated on the Proposal Mail-In and Delivery Information Sheet attached to this RFP. Any proposal post-marked or received after the designated date and time shall be rejected. Note that postmarks must be by United States Postal Service or they will be considered hand-delivered and shall be rejected if late. The number of copies required is located on the Proposal Mail-In and Delivery Information Sheet.
  
- E. Wages and Labor Law Compliance** - Before a provider enters into a service contract in excess of \$25,000, the provider shall certify that it complies with section 103-55, HRS, Wages, hours, and working conditions of employees of contractors performing services. Section 103-55, HRS may be obtained from the Hawaii State Legislature website at <http://www.capitol.hawaii.gov/>. Or go directly to: [http://www.capitol.hawaii.gov/hrscurrent/Vol02\\_Ch0046-0115/HRS0103/HRS\\_0103-0055.htm](http://www.capitol.hawaii.gov/hrscurrent/Vol02_Ch0046-0115/HRS0103/HRS_0103-0055.htm)
  
- F. Confidential Information** – If an applicant believes any portion of a proposal contains information that should be withheld as confidential or proprietary, the applicant shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. An explanation to the DIVISION of how substantial competitive harm would occur if the information was released is required. Proprietary or confidential information includes, but is not limited to business/financial information, medical records, and patient information. Such data shall accompany the proposal, be clearly marked as “CONFIDENTIAL” or “PROPRIETARY” and shall be readily separable from the rest of the proposal. The DIVISION will maintain the confidentiality of the information to the extent allowed by law. All proposals become the property of the State of Hawaii. The successful proposal shall be incorporated into the resulting contract and shall be public record. The State of Hawaii shall have the right to use all ideas, or adaptations to those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal shall not affect this right.

**Note that price is not considered confidential and will not be withheld.**

## **VIII. Discussions with Applicants**

- A. Prior to Submittal Deadline.** - Discussions may be conducted with potential applicants to promote understanding of the purchasing agency's requirements.
- B. After Proposal Submittal Deadline** - Discussions may be conducted with applicants whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance section 3-143-403, HAR.  
From the issue date of this RFP until an applicant is selected and the selection is announced, communications with State staff may be pursuant to Chapter 3-143-401, Hawaii Administrative Rules (HAR).

In order to provide equal treatment to all applicants, questions from applicants shall be submitted in writing and answers to applicants shall be distributed to all known interested parties.

## **IX. Opening of Proposals**

Upon receipt of proposal by a state purchasing agency at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties.

## **X. Additional Materials and Documentation**

Upon request from the state purchasing agency, each applicant shall submit any additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposals.

The Adult Mental Health Division ("DIVISION") reserves the right to conduct an on-site visit to verify the appropriateness and adequacy of the applicant's proposal before the award of the contract.

## **XI. RFP Amendments**

The State reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals. Amendments shall be sent to all applicants

who requested copies of the RFP. If significant amendments are made to the RFP, the applicants shall be provided additional time to submit their proposals.

## **XII. Final Revised Proposals**

The applicant's final revised proposal, *as applicable* to this RFP, must be postmarked or hand delivered by the date and time specified by the state purchasing agency. Any final revised proposal post-marked or received after the designated date and time shall be rejected. If a final revised proposal is not submitted, the previous submittal shall be construed as their best and final offer/proposal. *The applicant shall submit **only** the section(s) of the proposal that are amended, along with the Proposal Application Identification Form (SPO-H-200).* After final revised proposals are received, final evaluations will be conducted for an award.

## **XIII. Cancellation of Request for Proposal**

The request for proposal may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

## **XIV. Costs for Proposal Preparation**

Any costs incurred by applicants in preparing or submitting a proposal are the applicants' sole responsibility.

## **XV. Provider Participation in Planning**

Provider participation in a state purchasing agency's efforts to plan for or to purchase health and human services prior to the state purchasing agency's release of a request for proposals, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with sections 3-142-202, 3-142-203 and 3-143-618 of the Hawaii Administrative Rules for Chapter 103F, HRS.

## **XVI. Rejection of Proposals**

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

The DIVISION also reserves the right to waive minor variances in proposals providing such action is in the best interest of the State. Where the DIVISION

may waive minor variances, such waiver shall in no way modify the RFP requirements or excuse an applicant from full compliance with the RFP specifications and other contract requirements if the applicant is awarded the contract.

A proposal may be automatically rejected for any one or more of the following reasons: (Relevant sections of the Hawaii Administrative Rules for Chapter 103F, HRS, are parenthesized)

- (1) Rejection for failure to cooperate or deal in good faith. (Section 3-141-201, HAR)
- (2) Rejection for inadequate accounting system. (Section 3-141-202, HAR)
- (3) Late proposals (Section 3-143-603, HAR)
- (4) Inadequate response to request for proposals (Section 3-143-609, HAR)
- (5) Proposal not responsive (Section 3-143-610 (1), HAR)
- (6) Applicant not responsible (Section 3-143-610 (2), HAR)
- (7) Proof of collusion among applicants, in which case all proposals involved in the collusive action shall be rejected and any participant to such collusion shall be barred from future bidding until reinstated as a qualified applicant.
- (8) An applicant without a DIVISION approved repayment plan who is in arrears on existing contracts with the State or has defaulted on previous contracts.
- (9) An applicant shows any noncompliance with applicable laws.
- (10) An applicant's lack of financial stability and viability.
- (11) An applicant adds any provisions reserving the right to accept or reject an award, or enters into a contract pursuant to an award, or adds provisions contrary to those in the solicitation.

## **XVII. Notice of Award**

A statement of findings and decision shall be provided to all applicants by mail upon completion of the evaluation of competitive purchase of service proposals.

Any agreement arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order or other directive.

No work is to be undertaken by the awardee prior to the contract commencement date. The State of Hawaii is not liable for any costs incurred prior to the official starting date.

Upon receipt and acceptance of the winning proposal, the DIVISION shall initiate the contracting process. The applicant who has been awarded a contract shall be notified in writing that the DIVISION intends to contract with the applicant. This

letter shall serve as notification that the applicant should begin to develop its programs, materials, policies and procedures for the contract. The DIVISION will not reimburse applicants for costs incurred related to services not delivered

If a subcontractor is used, the applicant shall assure the DIVISION that they, as the applicant have the ultimate responsibility that the subcontractors will provide services that meet the criteria of this RFP. The DIVISION must be informed of all subcontractors. The DIVISION reserves the right to approve subcontractors used for the provision of services under this RFP.

The DIVISION reserves the right to review any subcontractor or provider contracts or agreements prior to the notification of award of the contract. Upon award of the contract, the applicant shall submit a plan for implementation of services and shall provide progress/performance reports every two weeks beginning two weeks after the notification of contract award. The format to be used shall be approved by the DIVISION. The purpose of the reports is to ensure that the applicant will be ready to provide services as of the implementation date of the contract and that all required elements are in place. If the applicant is not able to demonstrate readiness to implement the contract, the award shall be withdrawn by the DIVISION and the next qualified applicant shall replace the applicant.

After the award of the contract, prior to implementation, an on-site readiness review will be conducted by a team from the DIVISION and will examine the applicant's staffing, subcontractor and provider contracts, fiscal operations, and other areas specified prior to review.

### **XVIII. Protests**

Any applicant may file a protest against the awarding of the contract. The Notice of Protest form, SPO-H-801, is available on the SPO website (see the Proposal Application Checklist in Section 5 of this RFP. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the state purchasing agency conducting the protested procurement and the

procurement officer who is conducting the procurement (as indicated below) within five working days of the postmark of the Notice of Findings and Decision sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the state purchasing agency.

<b>Head of State Purchasing Agency</b>	<b>Procurement Officer</b>
Name: Chiyome L. Fukino, M.D.	Name: Amy Yamaguchi
Title: Director of Health	Title: Administrative Officer, Adult Mental Health Division
Mailing Address: P.O. Box 3378 Honolulu, Hawaii 96801-3378	Mailing Address: P.O. Box 3378 Honolulu, Hawaii 96801-3378
Business Address: 1250 Punchbowl Street, Honolulu, Hawaii 96813	Business Address: 1250 Punchbowl Street, Honolulu, Hawaii 96813

### **XIX. Availability of Funds**

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

### **XX. Monitoring and Evaluation**

Any deviation from the contract scope and requirements may result in the penalties described in the temporary withholding of payments pending correction of a deficiency or a non-submission of a report by the provider, in the disallowance of all or part of the cost, or in the suspension of contract services pending correction of a deficiency.

The applicant shall comply with all of the requirements of the RFP and contract and DIVISION shall have no obligation to refer any consumers to the applicant until such time as all of said requirements have been met. The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements

## **XXI. General and Special Conditions of Contract**

The general conditions that will be imposed contractually are on the SPO website (See Section 5, Proposal Application Checklist, for the address). Special conditions may be also be imposed contractually by the state purchasing agency, as deemed necessary. Terms of the special conditions may include, but are not limited to, the requirements as outlined in Section 5, Attachment C.

### **A. Termination of the Contract**

1. This contract may terminate or may be terminated by the DIVISION for any or all of the following reasons:
  - a. For any default by the applicant
  - b. For necessity or convenience
  - c. In the event of the insolvency of or declaration of bankruptcy by the applicant
  - d. In the event sufficient appropriated; otherwise unobligated funds no longer exist for the payment of the DIVISION obligations hereunder.

2. Procedure for Termination

The applicant shall:

- a. Stop work under the contract on the date and to the extent specified in the notice of termination.
- b. Notify the consumers of the termination of the contract and arrange for the orderly transition to the new provider.
- c. Place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of the work under the portion of the contract that is not terminated.
- d. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination.
- e. Assign to the DIVISION in the matter and to the extent directed by the DIVISION Chief of the right, title, and interest of the applicant under the orders or subcontracts so

terminated, in which case the DIVISION shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

- f. With the approval of the DIVISION Chief, settle all outstanding liabilities and all claims arising out of such termination of orders or subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of the contract.
- g. Complete the performance of such part of the work as shall not have been terminated by the notice of the termination.
- h. Take such action as may be necessary, or as the DIVISION Chief may direct, for the protection and preservation of any and all property or information related to the contract which is in the possession of the applicant and in which the DIVISION has or may acquire an interest.
- i. Within ten (10) working days from the effective date of the termination, deliver to the DIVISION copies of all current data files, program documentation, and other documentation and procedures used in the performance of the contract at no cost to DIVISION. The applicant agrees that the DIVISION or its agent shall have a non-exclusive, royalty-free right to the use of such documentation.

### 3. Termination Claims

After receipt of a notice of termination, the applicant shall submit to the DIVISION Chief any termination claim in the form and with the certification prescribed by the DIVISION Chief. Such claim shall be submitted promptly but in no event later than sixty (60) days from the effective date of termination. Upon failure of the applicant to submit its termination claims within the time allowed, the DIVISION Chief may, subject to any review required by the State procedures in effect as of the date of execution of the contract, determine, on the basis of information available to him/her, the amount, if any, due to the applicant by reason of the termination and shall thereupon cause to be paid to the applicant the amount to be determined.

Upon receipt of notice of termination, the applicant shall have no entitlement to receive any amount of lost revenues or anticipated profits or for expenditures associated with this or any other

contract. The applicant shall be paid only the following upon termination:

- a. At the contract price(s) for the number of consumers serviced by the applicant at the time of termination; and/or
- b. At a price mutually agreed by the applicant and the DIVISION.

In the event of the failure of the applicant and the DIVISION to agree in whole or in part as to the amounts with respect to costs to be paid to the applicant in connection with the total or partial termination of work pursuant to this article, the DIVISION shall determine on the basis of information available the amount, if any, due to the applicant by reason of termination and shall pay to the applicant the amount so determined.

The applicant shall have the right to appeal any such determination made by the DIVISION.

**B. Extension of Contract**

Options for renewal or extension shall be based on the applicant's satisfactory performance of the contracted services(s) and availability of funds.

Extensions beyond the award period will be time limited in order to accomplish specific short-term goals of the DIVISION. An extension beyond the award period does not imply further extensions once the extension date has ended.

**C. Dispute Resolution**

Any disputes concerning a question of a fact arising under the contract, which is not disposed of by an agreement shall be decided by the DIVISION Chief or his/her duly authorized representative. The decision shall be in writing and forwarded to the applicant. The decision shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or as grossly erroneous as necessary to imply bad faith. In connection with any dispute proceeding under this clause, the applicant shall be afforded an opportunity to be heard and to offer evidence in support of his/her dispute. Pending final decision of a dispute, the applicant shall proceed diligently with the performance of the contract in accordance with the disputed decision.

## **XXII. Cost Principles**

In order to promote uniform purchasing practices among state purchasing agencies procuring health and human services under Chapter 103F, HRS, state purchasing agencies will utilize standard cost principles outlined in Form SPO-H-201 which is available on the SPO website (see section 5, the Proposal Application Checklist). Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

The DIVISION may also be required to make small or major unanticipated modifications to individual contracts. Reasons for such modifications may include, but are not limited to, requirements imposed by the United States Department of Justice in the implementation of the Settlement Agreement and Stipulations and Orders, recommendations made by the DIVISION's technical assistance consultant, national trends, and needs of the Hawaii State Department of Health.

## **Section 2**

### **Service Specifications**

## **I. Introduction**

### **A. Overview, purpose or need**

The Adult Mental Health Division (“DIVISION”) of the Hawaii State Department of Health (“DEPARTMENT”) is responsible for coordinating public and private human services into an integrated and responsive delivery system for mental health needs. Provision of direct services to consumers in the public sector is offered through programs offered by the Community Mental Health Centers (“CENTERS”) and the Hawaii State Hospital (“HOSPITAL”). In addition, the DIVISION contracts on a purchase of service basis with private providers for mental health services to supplement the efforts of the CENTERS and the HOSPITAL.

For purposes related to this RFP, the basic functions or responsibilities of the DIVISION include:

1. Defining the services to be provided to consumers by the applicant;
2. Developing the rules, policies, regulations, and procedures to be followed under the programs administered by the department;
3. Procuring, negotiating, and contracting with selected applicants;
4. Determining initial and continuing eligibility of consumers;
5. Enrolling and disenrolling consumers;
6. Reviewing and ensuring the adequacy of the applicant’s employees and providers;
7. Authorizing and determining necessity of DIVISION funded services
8. Monitoring the quality of services provided by the applicants and subcontractors;
9. Reviewing and analyzing utilization of services and reports provided by the applicants;
10. Handling unresolved consumer grievances and appeals with the applicants;
11. Certifying Medicaid Rehabilitation Option (MRO) providers;
12. Authorizing and paying MRO services and claims;
13. Monitoring the financial status and billing practices of applicants;
14. Identifying and investigating fraud and abuse;
15. Analyzing the effectiveness of the program in meeting its objectives;
16. Conducting research activities;
17. Providing technical assistance to the applicants;
18. Providing consumer eligibility information to the applicants;
19. Payments to the non-MRO contracted applicants; and,
20. Imposing civil or administrative penalties, monetary penalties and/or financial sanctions for violations of specific contract provisions.

Since persons who are severely and persistently mentally ill typically manifest varying levels of need for care and often experience cyclical episodes of recurrence of the illness, a variety of service and housing options must be provided simultaneously to the individual and tailored to meet his/her current needs. Among these required services are those which must address the needs of persons when they are homeless, when they are experiencing a bout of illness or in relapse, and when services sought reflect the assumption that services provided to persons who are severe and persistent mentally ill, are community-based, are well-coordinated, and produce outcomes which are of benefit to both the consumer and society.

A series of planning events, including needs assessment conducted in 2000, were held with mental health stakeholders (consumers, staff, private providers, advocates, and family members) to determine the range of public mental health services for persons with severe and persistent mental illness. During these meetings, views were expressed on how to improve services and achieve system-wide goals. Most importantly, input had been received for provision of comprehensive, accessible services on each island and in rural locations with a range of housing options, a choice of treatment, and rehabilitation with access to case managers, and other services after regular working hours. Based on these findings, the DIVISION has appropriated funding to provide services to consumers by contracting with purchase of service providers. These services shall reflect national standards of care and best practices and shall be based on a philosophy of recovery-focused and cultural competent treatment, psychosocial rehabilitation and other community supports.

### **U.S. Department of Justice Stipulation and Order**

Since 1991, the State of Hawaii has been under a Settlement Agreement with the United States Department of Justice (DOJ) relative to the treatment and rehabilitation programs and services at the HOSPITAL. Since 1998, the DIVISION has been developing and implementing an array of community-based services. In May 2001, the United States District Court appointed a Special Master to oversee the activities of the HOSPITAL and resulting community services developed by the DIVISION. On January 23, 2003 the Court ordered the implementation of a Plan for Community Mental Health Services that delineates the development and implementation of community services necessary to support the discharge and transfer of patients from the HOSPITAL, and to support the diversion of individuals who would otherwise have to be admitted to the HOSPITAL. The development, implementation, integration, coordination and monitoring of all these programs and services required by both court ordered plans will require the DIVISION to generate, coordinate and constantly monitor the systematic, uniform and

accurate data and information, and the compilation of information into management reports for policy and program and/or services development.

**B. Description of the goals of the service**

*“AMHD is deeply committed to building a system of care which is rooted and grounded in the recovery model. The cornerstone of the recovery process is the centrality of the individual, in their personal definition of meaning and purpose, and the belief that despite the ongoing presence of the illness, people continue to develop.”*

Hawaii’s adult mental health service delivery system is based on the concept of recovery, that consumers can lead fulfilling lives even in the presence of a severe and persistent mental illness. Services are focused on the need of the individual, not only on symptom relief and stabilization, but on consumer empowerment and the skills needed to lead satisfying, hopeful and contributing lives.

The goals for the services described in this RFP include, but are not limited to:

1. The recovery-based forensic program in interim housing provides knowledgeable, respectful and timely supports for individuals with early warning signs of relapse and circumvents revocation of conditional release, arrest, incarceration or hospitalization.
2. The recovery-based forensic program employs consumer preferences and choices that support risk management in relation to consumer responsibilities to self, family, group, and community.
3. Crisis prevention, crisis planning, self-monitoring, and self-management of triggers and risks are critical in meeting recovery goals.
4. A recovery-based forensic program uses non-violent and non-coercive intervention, respect for the person and their preferences, and peer support that follows the individual in their tenure in interim housing.
5. When a more restrictive setting cannot be avoided (i.e., inpatient hospitalization, Licensed Crisis Residential Service), consumers are permitted short stays of up to 72 hours with return to interim housing.
6. Community-based transition services are available as a part of a recovery-based program in interim housing to provide

opportunities based upon treatment planning for outside employment, education and skill-building.

7. A recovery-based forensic program in interim housing recognizes the need for a stable home environment upon full return to the community with consumer preferences for type of housing situation available with needed supports and services that are documented in the treatment plan.
8. Risk management is integrated with fitness restoration and consumer goals for recovery

**C. Description of the target population to be served**

Consumers being diverted from the HOSPITAL, prison or jail; released from prison or jail; living in the community but at risk for losing their conditional release; and those who, without twenty-four (24) hour care, would further decompensate and increase their likelihood of hospitalization or revocation of conditional release.

**D. Geographic coverage of service**

Islands of Oahu, Maui, Kauai, and Hawaii. For the island of Hawaii, applicants may propose to serve East Hawaii, West Hawaii, or both.

**E. Probable funding amounts, source, and period of availability**

The source of funding is state funds or a combination of state and federal funds. Both profit and non-profit organizations are eligible for state funds. Please note that based on the availability of state funds, the amount allocated to providers who are awarded contracts may change.

The DIVISION considers itself the payer of last resort, and expects providers to obtain third party reimbursement as applicable. The DIVISION gives priority to the uninsured.

An advance for start-up costs up to \$2,000.00 will be allowed for the purpose of setting up electronic billing, subject to approval by the DIVISION. Start-up costs should reference the purchase of software that performs the function of creating a Health Insurance Portability and Accountability Act of 1996 ("HIPAA") compliant 837, including optional fields.

The criteria for determining the amount allocated for setting up electronic billing will be based on the applicant demonstrating that they are able to submit 837 compliant claims files including DIVISION optional fields.

Where software is being purchased, applicants must submit documentation from the vendor selected which includes the full purchase price of the software and supporting evidence that the software meets required specifications. Direct contact with the vendor to confirm the functionality of the product may be necessary prior to allocation of funds. Should an applicant wish to use the funding to support the costs of modifying an existing billing system, the applicant must obtain prior approval of their project plan. This plan must include milestones which demonstrate that the modifications will be completed in time to meet the electronic billing deadline referenced in this RFP. The plan must also identify personnel resources, describe the modifications planned and estimate the number of hours required to complete the project. Payment would be made upon successful acceptance of an 837 claims file by DIVISION.

If an applicant materially fails to comply with terms and conditions of the contract, the DIVISION may, as appropriate under the circumstances:

1. Temporarily withhold payments pending correction of a deficiency or a non-submission of a report by a provider.
2. Disallow all or part of the cost.
3. Restrict, suspend or terminate the contract.

In the event that the additional funds become available for similar services, the DEPARTMENT reserves the right to increase funding amounts.

Competition is encouraged among as many applicants as possible.

## **II. General Requirements**

### **A. Specific qualifications or requirements, including but not limited to licensure or accreditation.**

1. The applicant shall have licenses and certificates, as applicable in accordance with federal, state and county regulations, and comply with all applicable Hawaii Administrative Rules.

Residential programs, in accordance with Title 11, Chapter 98, HAR, Special Treatment Facility, shall have a Special Treatment Facility license prior to accepting DIVISION consumers into the facility and the license shall be current throughout the contract period.

2. The DIVISION will require accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF), Joint Commission on Accreditation of Healthcare Organizations (JCAHO), International Center for Clubhouse Development (ICCD), Council on Accreditation (COA), or by another DIVISION approved certification/licensing process. Applicants that are currently accredited are required to maintain accreditation. Applicants who are not accredited are required to achieve accreditation within one (1) year from the date of contract award.
3. Applicants shall have an administrative structure in place capable of supporting the activities required by the RFP. Specifically, there shall be clinical, financial, accounting and management information systems, and an organizational structure to support the activities of the applicant.
4. The applicant shall have a written plan for disaster preparedness.
5. The applicant shall cooperate with the DIVISION in approved research, training, and service projects provided that such projects do not substantially interfere with the applicant's service requirements as outlined in this RFP.
6. The applicant shall comply with all specified, applicable existing policies, procedures, directives, and provider manual of the DIVISION and, applicable policies, procedures, directives, and provider manual developed in the future.
7. Whenever requested, the applicant shall submit a copy of its operating policies and procedures to the DIVISION. The copy shall be provided at the applicant's expense with revisions and updates as appropriate.
8. The applicant shall assign staff to attend provider meetings as scheduled by the DIVISION.
9. The applicant shall notify and obtain the approval of the DIVISION prior to the presentation of any report or statistical or analytical material based on information obtained through this agreement. Formal presentation shall include, but not be limited to papers, articles, professional publications, and presentations.

The applicant shall not advertise, distribute, or provide to any consumer, any material relating to the contract that has not been approved by the DIVISION. The applicant shall not change the material without the consent of the DIVISION. All consumer

satisfaction surveys and methodology must be reviewed and approved by the DIVISION prior to implementation.

10. Consumer Management Requirements:

- a. Incorporate “best practices/evidence-based practices” in any consumer service.  
  
 “Best practices/evidence-based practices” are defined as a body of contemporaneous empirical research findings that produce the most efficacious outcomes for person with severe and persistent mental illness, have literature to support the practices, are supported by national consensus, and have a system for implementing and maintaining program integrity and conformance to professional standards. The DIVISION has developed fidelity scales based on best practices/evidence-based practices for some services. Applicants will be required to incorporate these into their service delivery and cooperate with educational and monitoring activities.
- b. Document evidence of consumer input into all aspects of treatment planning inclusive of service related decisions.
- c. Consumers shall be served in the “least restrictive” environment as determined by the consumer’s level of care assessment, as established in section 334-104, Hawaii Revised Statutes and in any appropriate federal guidelines.
- d. Consumers shall be made aware of and have access to community resources appropriate to their level of care and treatment needs.
- e. Consumers shall receive services in a manner compatible with their cultural health beliefs, practices and preferred language.
- f. In accordance with Chapter 11-175, Hawaii Administrative Rules, and any appropriate federal guidelines, the applicant shall respect and uphold consumer rights. The applicant shall recognize the rights of authority of the consumer in the delivery of services, in deciding on appropriate treatment and services and in providing input into the decisions of all aspects of service. The rights of the consumer are listed in Section 5, Attachment D.

- g. The applicant shall have a mechanism for receiving, documenting and responding to consumer grievances, including an appeals process. The mechanism must be consistent with the DIVISION's Policies and Procedures on Consumer Grievances and Consumer Appeals which are found in Section 5, Attachment E.
- h. The applicant shall provide a written record of sentinel events, incidents, grievances, and appeals and efforts to address the situation and improve services on-site to the DIVISION's Quality Management Program.
- i. The applicant shall comply with any applicable Federal and State laws such as title VI of the Civil Rights Act of 1964 as implemented by regulations at 45 C.F.R. part 80, the Age Discrimination Act 1975 as implemented by regulations at 45 C.F.R. part 91, the Rehabilitation Act of 1973, and titles II and III of the Americans with Disabilities Act.
- j. The applicant shall describe how they protect confidential information. The applicant shall not use or disclose patient health information (PHI) in any manner that is not in full compliance with HIPAA regulations or with the laws of the State of Hawaii. The applicant shall maintain safeguards, as necessary, to ensure that PHI is not used or disclosed except as provided by the Agreement or by law. The applicant shall not use or further disclose PHI for any purpose other than the specific purposes stated in DIVISION contracts or as provided by law and shall immediately report to DIVISION any use or disclosure of PHI that is not provided by contract or by law.
- k. The applicant shall maintain confidential records on each consumer pursuant to section 334-5, Hawaii Revised Statutes, 42 U.S.C. sections 290dd-3 and 290ee.3 and the implementing federal regulations, 42 C.F.R. Part 2, if applicable, and any other applicable confidentiality statute or rule. Such records shall be made available to the DIVISION upon request.
- l. Written consumer consent shall be obtained for individuals and services funded by the DIVISION including:
  - 1) Consent for evaluation and treatment;

- 2) Consent to release information by DIVISION funded service providers as needed for continuity of care, including after care services;
- 3) Consent to enter registration and treatment information in the confidential Statewide DIVISION information system; and
- 4) Other consent documents as needed.

Consumer consent is not required for oversight activities of the DIVISION and its agents, and in the case of Medicaid Rehabilitation Option Services (MRO), the Centers for Medicare and Medicaid Services (CMS), Office of the Inspector General (OIG), the Med-QUEST Division (MQD) and their agents.

11. If a subcontractor is used, the applicant shall ensure the DIVISION that they, as the applicant have the ultimate responsibility that subcontractor(s) will provide behavioral health services that meet the criteria of this RFP. Subcontractors must be responsive and responsible to meet the expectations of the applicant and the DIVISION.

12. Financial Requirements

- a. The State may require providers to submit an audit as necessary. If the applicant expends \$500,000 or more in a year of federal funds from any source, it shall have a single audit conducted for that year in accordance with the Single Audit Act and Amendments of 1999, Public Law 104-156.
- b. The applicant shall comply with the COST PRINCIPLES developed for Chapter 103F, HRS and set forth in the document SOP-H-201. This form (SPO-H-201) is available on the SPO website (see the Competitive POS Application Checklist located in the Attachments Section of this RFP).
- c. Eligibility and enrollment is determined by the following
  - 1) The individual is at least 18 years old.
  - 2) The individuals lives in Hawaii

- 3) The individual has a severe and persistent mental illness documented through the DIVISION's assessment process, or is in a state of crisis (short-term services), or is victims of natural disasters and terrorism, or court ordered for treatment by the DIVISION.

d. Notification of Changes in Consumer Status.

As part of education conducted by the DIVISION, consumers shall be notified that they are to provide the applicant, through their case manager, with any information affecting their status. The case manager and/or consumers should report changes to their case manager and/or provider. The provider should complete the DIVISION UM Admission/Discharge/Update form and send it to UM. The DIVISION shall describe the information that is to be provided and explain the procedures to be followed through the DIVISION staff and in its printed material. The applicant shall also explain the information and the procedures to be followed by the consumers during the orientation process.

It is expected that not all consumers will remember to or be able to provide information on changes to their status. Therefore, it is important for the applicant to obtain and forward such information to the DIVISION on a timely basis and inform the consumer of his/her responsibility to report changes to their case manager.

The applicant shall notify each case manager and the DIVISION of changes in consumer status by calling or faxing the information to the DIVISION, Utilization Management unit within five (5) calendar days of discovery.

e. Changes in Consumer Status include:

- 1) Death of the consumer
- 2) Change in address, including homelessness
- 3) Change in name
- 4) Change in phone number

- 5) Institutionalization (imprisonment or long term care)
- 6) Short term inpatient psychiatric treatment
- 7) Third Party Liability (TPL) coverage, especially employer-sponsored, Medicare or Medicaid

f. Disenrollment from DIVISION

Consumers will be disenrolled if no longer living in Hawaii, refuse services that are not court ordered, or are incarcerated.

- g. Third Party Liability (TPL) means any individual, entity or Program that is or may be liable for all or part of the expenditures for furnished services. The DEPARTMENT must take all reasonable measures to identify legally liable third parties and treat verified TPLs as a resource of the consumer.

The applicant shall establish systems for eligibility determination, billing, and collecting from all eligible sources to maximize third party reimbursements and other sources of funding before using funds awarded by the DIVISION. The applicant shall bill the DIVISION only after exhausting the third party denial process, when the service is not a covered benefit or when the consumer is uninsured. The applicant shall maintain documentation of denials and of limits of benefit coverage and make these records available to the DIVISION upon request. The DIVISION is the payer of last resort and the applicant shall consider payment from third party sources as payment in full. An annual review and reconciliation of amounts collected from third party payers by the applicant will be conducted and, if needed, adjustments will be made within 90 days either crediting the DIVISION or providing payment to the applicant upon the receipt of a claim.

The Applicant shall:

- 1) Provide a list of service expenses, in the format requested by the DIVISION, for recovery purposes
- 2) Recover service expenses incurred by consumers from all other TPL resources

- 3) Inform the DIVISION of TPL information uncovered during the course of normal business operations
- 4) The applicant shall describe all eligible sources of revenue from third parties and plans to pursue additional sources of revenues.

h. Fraud and Abuse/Neglect

Through its compliance program, the applicant shall identify employees, subcontractors or providers who may be committing fraud and/or abuse. The applicant activities may include, but are not limited to, monitoring the billings of its employees, subcontractors or providers to ensure consumers receive services for which the applicant and the State are billed; monitoring the time cards of employees that provide services to consumers under cost payment arrangements; investigating all reports of suspected fraud and over-billings (upcoding, unbundling, billing for services furnished by others, billing for services not performed, and other over-billing practices), reviewing for over- or under-utilization, verifying with consumers the delivery of services and claims, and reviewing and trending consumer complaints regarding employees, subcontractors and providers.

The applicant shall promptly report in writing to the DIVISION instances in which suspected fraud has occurred within thirty (30) days of discovery. The applicant shall provide any evidence it has on the billing practices (unusual billing patterns, services not rendered as billed and same services billed differently and/or separately). If the billing has not been done appropriately and the applicant does not believe the inappropriate billing meets the definition of fraud (i.e., no intention to defraud), the applicant shall notify the DIVISION in writing of its findings, adjustments made to billings, and education and training provided to prevent future occurrences.

Any suspected case of physical, emotional or financial abuse or neglect of a consumer who is a dependent adult must be reported by the applicant to Adult Protective Services, or of a child to Child Protective Services, and to the DIVISION immediately upon discovery.

- i. All reimbursements for services shall be subject to review by the DIVISION or its agent(s) for medical necessity and appropriateness, respectively. The DIVISION or its agents shall be provided access to medical records and documentation relevant to such a review and the applicant agrees to provide access to all requested medical records/documents. It is the responsibility of the applicant to ensure that its subcontractors and providers also provide DIVISION and its agents, and in the case of MRO services, the CMS, the OIG, the MQD and their agents, access to requested medical records/documents. Reimbursements for services deemed not medically necessary or not following billing guidelines by the DIVISION or its agent shall be denied. Reimbursements received by applicants for consumers with third party coverage (including consumers with Medicaid and/or Medicare) will be considered full payment (see Section 2.II.11.g.). Any DIVISION overpayments for services shall be recouped by the DIVISION from the applicant.

The DIVISION has final determination in what is considered a necessary, reimbursable service.

- j. Medicaid

The MQD under the Department of Human Services (DHS) administers medical assistance to qualified, indigent, uninsured and underinsured. Aged, blind, and disabled recipients receive medical, dental, and behavioral health services under Medicaid Fee-for-Service from contracted providers. A large group of Medicaid eligible recipients receive medical and behavioral health services from contracted Medicaid Managed Care Health Plans under the QUEST and QUEST-Net programs. A small population of Medicaid Fee-for-Service, QUEST, and QUEST-Net recipients are enrolled in a behavioral health carve-out program for severely mentally ill adults. This behavioral health carve-out program is contracted by MQD. Some of the services provided to the individuals in the carve-out program are similar or identical to services provided by the DIVISION and consumers enrolled in this program shall receive services through them except for those services not included as a benefit of that program. Section 2.II.A.11.m. describes the MRO and how applicants providing certain services will participate.

- k. The applicant shall submit claims electronically in the HIPAA compliant 837 format unless a waiver permitting use of the CMS 1500 is granted from the DIVISION's Fiscal Unit. Claims shall be submitted for payment within sixty (60) days of the provision of services. Any invoices or requests for payment received after the sixty (60) days will be paid upon availability of funds. Claims for dates of service over one (1) year prior to submission of the original claim shall be denied for untimeliness.
- l. If the applicant is required to provide encounter data, the HIPAA compliant 837 format shall be utilized to submit that data electronically.
- m. The applicant shall make an application for certification by the DIVISION, as a provider under the MRO within one (1) month of contract award and receive certification within six (6) months of contract award for MRO services. Providers must maintain certification, and shall have a ninety (90) day period to take corrective action. The DIVISION shall, on behalf of the DHS, certify providers to deliver services under the MRO.
  - 1) MRO services are:
    - a) Assertive Community Treatment (ACT)
    - b) Intensive Case Management (ICM)
    - c) Psychosocial Rehabilitation Services (PSR)
    - d) Intensive Outpatient Hospital Services (Partial Hospitalization)
    - e) Therapeutic Living Supports Provided in a Mental Health and/or Substance Abuse Residential Setting (non-IMD) (Specialized Residential Services).
    - f) Licensed Crisis Residential Services (LCRS)
    - g) Crisis Mobile Outreach (CMO)
    - h) Crisis Support Management (CSM)

- i) Respite Beds
  - j) Interim Housing
- 2) The DIVISION shall be responsible for:
  - a) Certification of Adult Medicaid Rehabilitation Option applicants and providers;
  - b) Utilization Management
  - c) Receipt and adjudication of claims;
  - d) Development and maintenance of a provider manual;
  - e) Monitoring appropriateness and quality of services and claims;
  - f) Paying providers for services; and
  - g) Returning federal share that is disallowed.
- 3) The DHS shall:
  - a) Set rates;
  - b) Pay federal match to the DIVISION; and
  - c) Conduct reviews of claims, encounters and other documentation.

Applicants for services listed as MRO services shall follow the Medicaid Rehabilitation Options requirements for staffing and supervision found in Section 5. Attachment F.

**B. Secondary purchaser participation**

(Refer to §3-143-608, HAR)

After-the-fact secondary purchases will be allowed.  
There are no planned secondary purchases.

**C. Multiple or alternate proposals**

(Refer to §3-143-605, HAR)

☐ Allowed                      ☒ Not Allowed

**D. Single or multiple contracts to be awarded**

(Refer to §3-143-206, HAR)

☐ Single
                 
 ☐ Multiple
                 
 ☒ Single & Multiple

Criteria for multiple awards:

The state needs the flexibility to award funding to more than one applicant. In the event that more than one applicant's proposal for a service meets the minimum requirements, the proposal will be reviewed in accordance with the following additional criteria in determining the funding allocations:

1. Interest of the State to have a variety of providers in order to provide choices for consumers.
2. Interest of the State to have geographic accessibility.
3. Readiness to initiate or resume services.
4. Ability to maximize QUEST funding, if possible.
5. Proposed budget in relation to the proposed total number of service recipients.
6. If funded in the past by the DIVISION, ability of applicant to fully utilize funding.
7. Previous DIVISION contract compliance status (e.g. timely submittal of reports and corrective action plans).
8. Accreditation status.
9. Applicants past fiscal performance based on the DIVISION's fiscal monitoring.
10. Applicants past program performance, based on the DIVISION's program monitoring.

**E. Multi-term contracts to be awarded**

(Refer to §3-149-302, HAR)

☐ Single term ( $\leq$  2 yrs)
                 
 ☒ Multi-term ( $>$  2 yrs.)

Initial term of contract:	<u>6 months</u>
Length of each extension:	<u>1 year</u>
Number of possible extensions:	<u>3</u>
Maximum length of contract:	<u>3 years, 6 months</u>
The initial period shall commence on the contract start date or Notice to Proceed, whichever is later.	
Conditions for extension: Option for renewal or extension shall be based on the provider's satisfactory performance of the contracted service(s) and availability of funds.	

**F. RFP Contact Person**

The individual listed below is the sole point of contact from the date of release of this RFP until the selection of the successful provider or providers. Written questions should be submitted to the RFP contact persons and received on or before the day and time specified in Section I, Item IV (Procurement Timetable) of this RFP. The contact person is Mr. Raymond Gagner. He can be reached at (808) 586-4688.

**III. Scope of Work**

The scope of work encompasses the following tasks and responsibilities:

**A. Service Activities**

(Minimum and/or mandatory tasks and responsibilities)

The request for proposal is to establish statewide interim housing services. Consumers may be served for up to six (6) months with services provided by multidisciplinary staff available on-site and on duty twenty-four (24) hours a day, seven (7) days a week. Interim housing services is a forensic, recovery oriented program targeted for consumers being diverted from the HOSPITAL, prison or jail; released from prison or jail; living in the community but at risk for losing their conditional release; and for those, who, without twenty-four (24) hour care, would further decompensate and increase their likelihood of hospitalization or revocation of conditional release. This service shall be individualized, integrated into the community, and provided in the most normal and least restrictive setting possible, consistent with each consumer's needs and court requirements. Interim housing services shall utilize contingency planning with consumers, understanding of triggers and risks, daily maintenance planning, crisis prevention and personal risk management. Consumer recovery goals shall be developed and reinforced with fitness restoration, motivational strategies, peer support and cognitive behavioral techniques and therapy.

The purpose of Interim Housing is to provide a structured residential setting for up to six (6) months per consumer when fitness restoration is required; when individuals released from prison or jail are at risk for poor community adjustment; or to prevent revocation of conditional release.

The DIVISION's ACCESS Line, case managers, probation officers, parole officers, forensic coordinators and jail diversion will make referrals to interim housing. Authorization for entrance to and exit from Interim Housing shall be through the DIVISION's Utilization Management unit.

1. **Admission Criteria:**

Consumers appropriate for Interim Housing services meet the following criteria:

- a. Individuals diverted from the HOSPITAL or Kahi Mohala that require a structured licensed residential setting for fitness restoration.
- b. Individuals released from jail or prison that are at risk for homelessness and substance abuse and have a poor history of community adjustment.
- c. Individuals who are on community release but are exhibiting early warning signs of relapse and risk revocation of conditional release or arrest or hospitalization.
- d. Individuals with the characteristics described in III.A.1.a.-c., above who have no understanding of personal risk factors, and who present with a history that indicates that structured treatment can only occur in a licensed facility.
- e. Consumer outcomes are specifically identified by the treatment team with involvement of the consumer and fit the level of care and specialization of Interim Housing.

2. **Discharge Criteria:**

Consumers are appropriate for discharge from Interim Housing services when they meet the following criteria:

- a. There are available treatment resources other than Interim Housing that meet the consumer's needs at the level of intensity required.
- b. Individual outcome measures identified upon admission have been substantially achieved.
- c. Court mandates allow for housing and treatment needs to be met in settings other than in a specialized treatment facility.

3. **Integrated Treatment Description:**

Interim Housing provides integrated treatment based upon helping people build new and more effective behavioral strategies that

contribute to restoring fitness and achieving their personal recovery goals. Wellness Recovery Action Planning (WRAP) shall be used to help consumers develop improved behavioral responses that manage risk, promote recovery, and prevent relapse (defined as loss of skill and functioning), and facilitate personal responsibility for actions. The program shall teach social skills, self-monitoring, and emotional regulation skills to help consumers develop a more stable lifestyle and eliminate negative behaviors. The structured setting focuses on lifestyle changes that address contextual factors or triggers that contribute to relapse or that serve to maintain behaviors that are counter-productive to personal recovery goals. For example, substance use and any violation of conditions of conditional release may contribute to hospitalization or arrest and job loss.

Integrated treatment shall include:

- a. Symptom management and understanding of mental illness. This includes, but is not limited to, understanding co-occurring conditions that contribute to relapse, identifying triggers and early warning signs of relapse, and self-management skills.
- b. Developing consumer's personal goals for recovery as a motivator for risk management with responsibility to self, group, family and community.
- c. Implementing an in-vivo fitness restoration program in conjunction with the respective CENTER Forensic Coordinator, Case Manager, and the Interim Housing Qualified Mental Health Professional ("QMHP") that includes, but is not limited to, a trainer curriculum, client curriculum, tracking of consumers and Standard Operation Procedure implementation in the management of risk.
- d. Coordination and implementation of recovery oriented forensic programming between Interim Housing and the community tailored to the consumer's recovery goals, identified needs and court requirements.
- e. Use of cultural and motivational approaches that are inconsistent with substance abuse behavior, criminal behavior or any other behaviors which contribute to relapse, health impairment, arrest and incarceration, or hospitalization.

- f. Stages of Change management activities as a part of Interim Housing's programming specific to consumer needs.
- g. Identification and use of consumer driven tools such as the Wellness Recovery Action Plan and related activities to assist the consumer in attaining recovery goals by managing their personal risk factors.
- h. Use of certified peer specialists in all recovery and integrated treatment activities.
- i. Translating forensic assessments to integrate individual programming and consumer goals for recovery to manage triggering behaviors and community risk. This is a key focus with transitioning or combination programming between Interim Housing and the community.
- j. Describing and utilizing promising and evidence-based practices to manage consumer risk, including but not limited to, co-occurring substance abuse and other behaviors.
- k. Working in collaboration with the consumer and their treatment team in planning for vocational, educational, and risk assessment to meet consumer goals of recovery and court mandates.
- l. Utilizing cognitive behavioral interventions to support consumer goals, improve management of psychiatric, co-occurring substance disorders and chronic medical conditions.
- m. Utilizing cognitive behavioral interventions to target and restructure criminal thinking in collaboration with treatment teams.
- n. Enhancing consumer health and access to the health care system by exposure to health-supporting activities and developing daily maintenance plans.
- o. Developing reinforcers for behavior change in conjunction with the consumer and the treatment team.

- p. Using Stages of Change treatment to discuss substance use, anti-social attitudes, and chronic psychiatric and medical conditions.
- q. Using social skills groups that encompass perceptual, cognitive, and behavioral skills.
- r. Providing consumers with opportunities to access community, cultural, recreational, educational, vocational, rehabilitative, and spiritual activities.
- s. Developing, in collaboration with the consumer and the treatment team, an integrated treatment program with the required hours within Interim Housing and in the larger community that support consumer goals.
- t. Providing a warm and welcoming environment for consumers, their families, support systems, and other providers serving the consumer.

4. **Outcome Measures for Interim Housing:**

- a. Development and integration of risk management plans with recovery plans specific to the consumer's present setting and community involvement and planned setting and activities upon discharge.
- b. Number of consumers completing treatment.
- c. Number of consumers who restored their legal fitness.
- d. Improved Quality of Life Inventory outcomes at time of discharge.
- e. Number of consumers involved in clubhouse, community recreation, employment, or educational activities.

5. **Other Requirements**

- a. Provide services in a manner consistent with the Comprehensive, Continuous, Integrated System of Care, in areas which apply to this service, as provided in Section 5, Attachment G, and the Dual Diagnosis Philosophy and Treatment Guidelines as provided in Section 5, Attachment H.

- b. Provide treatment services in a manner consistent with the definitions provided in Section 5, Attachment I.

## **B. Management Requirements**

### **1. Personnel**

Except in certain special conditions and by prior written approval by the DIVISION, the PROVIDER's personnel requirements for staff providing Interim Housing services shall include, but are not limited to, the following:

Interim Housing services shall be provided by the following staff:

- a. Board certified or eligible psychiatrist(s) who shall be available twenty-four (24) hours per day, seven (7) days per week for telephone consultation, on-site evaluation when deemed appropriate, and provision of clinical supervision.
- b. Registered Nurses who shall be available twenty-four (24) hours a day, seven (7) days a week on site at Interim Housing. The RN shall provide an integrated assessment including identification of psychiatric symptomatology that interferes with the consumer's meeting primary health care needs and achieving recovery goals. The RN shall also be responsible for medication administration, when required, and monitoring consumer adherence to prescribed medication to relieve symptom distress and ensure that the consumer feels well enough to meet personal goals for recovery. The RN shall also develop planned interventions for the physical and mental health needs of consumers using cognitive-behavioral approaches. An RN shall be available on site for eight (8) hours per day seven (7) days per week with on-call availability and consultation by phone and on site to other staff members.

The RN shall teach other staff members to develop staging plans with consumers to address meeting primary health care needs, risk management and the achievement of consumer recovery goals.

At a minimum, the RN shall have two (2) years of nursing experience, and be licensed to practice in the State of Hawaii.

- c. Mental health workers shall be available to staff the Interim Housing program at a minimum of two (2) staff to every eight (8) residents. Mental health workers shall be involved in the implementation of treatment guidelines and approaches for individual consumers under the supervision of the RN and QMHP as appropriate. See Section 5, Attachment J for the role and qualifications of a mental health worker.
- d. A QMHP shall provide on-site admission and discharge interviewing and decision-making, arrange for treatment team meetings on site, provide supervision and teaching, desk review of cases, consultation, and review of treatment protocols, development of skills and competencies, clinical assignments based upon consumer needs and staff qualifications, and serve as a resource for implementation of evidence based best practices. See Section 5, Attachment F for the role and qualifications of the QMHP.
- e. Full-time certified peer specialists shall staff Interim Housing at a minimum of one (1) peer specialists per shift during day and evening shifts. Certified peer specialists shall participate in all integrated treatment activities including, but not limited, to group sessions, medication adherence groups, treatment team meetings, skills training, WRAP, fitness restoration, and activities in the larger community with consumers from Interim Housing. Certified peer specialists shall support consumers through periods of adjustment to help the consumers return to the community after hospitalization or incarceration. Certified peer specialists shall provide a stable environment and opportunity for consumers to define their unique needs and improve their community living skills. Certified peer specialists shall work under the supervision of the QMHP and the RN as appropriate. At a minimum, a peer specialist shall have a high school diploma or GED, have one (1) year in recovery, and be certified as a peer specialist by the DIVISION.
- f. Due to the complexities of the consumers served through these services, all staff must be able to provide their interventions with competence in co-occurring issues such as substance use, trauma, and in a developmentally sensitive manner (such as understanding service approaches appropriate to 18-24 year olds versus persons 65 years old or older, or to consumers with cognitive challenges)

- g. The applicant shall have a consistently applied, documented method for measuring staff competencies which includes:
  - 1) Staff competency in providing warm, empathic approaches in dealing with consumers using a DIVISION tool or a tool approved by the DIVISION.
  - 2) Staff competencies related to the requirements of the job and the needs of the persons served.
  - 3) Staff proficiency in treating individuals with a co-occurring substance use disorder using a DIVISION tool or a tool approved by the DIVISION.
- h. The applicant shall submit position descriptions for direct care and supervisory staff responsible for services as indicated in Section 3.III.A in their proposal. Position descriptions shall include the minimum qualifications, including experience, for staff assigned to the service.
- i. The applicant shall have an organization-wide and program-specific organization chart. The program specific chart shall show the position of each staff and the line of responsibility and supervision (clinical and administrative).
- j. The applicant shall ensure and document that staff receive appropriate and regular clinical and administrative supervision.
- k. The applicant shall ensure that all of its personnel attend trainings sponsored or required by the DIVISION, as appropriate to the service(s) they are providing. Training shall include compliance with DIVISION requirements for fraud and abuse prevention.
- l. Training, Support and Supervision: All staff, regardless of professional credential and/or first hand experience as a consumer shall receive specialized training in working with the forensic population as it relates to co-occurring disorders, crisis resolution and intervention, recovery, motivational techniques, and cognitive-behavioral implementation.
  - 1) Support shall include:

- a) Providing necessary mentoring.
  - b) Providing time for an optional weekly support group for staff.
  - c) Supporting teaming through knowledge of resources on staff and in the larger community and availability for supervision when needed. This shall be based upon internal policies and procedures that assure safety and well-being for both staff and consumers being served.
- 2) Supervision by the QMHP shall include:
- a) Individual and group supervision.
  - b) Regular on-site input. This shall include on-site input and supervision when working with consumers.
  - c) Audits of records. Weekly desk supervision for all recovery-based forensic staff in Interim Housing.
- 3) Orientation training for recovery-based forensic staff in Interim Housing shall include:
- a) Basic information and procedures, protocols, resources, and responsibilities of all program staff.
  - b) Fundamental competencies in listening, engagement and communicating respect.
  - c) Diverse cultural-based perspectives of crisis
  - d) Recovery.
  - e) Risk assessment.
  - f) Safety planning.

- g) Staff competency in motivational enhancement techniques in their interventions.
  - h) Cognitive behavioral strategies.
  - i) Medications.
  - j) Intervention approaches.
  - k) Dual diagnosis/mentally ill and substance abuse.
  - l) Next-step planning.
  - m) Warm and welcoming approach to contact, and follow-up.
- 2) Ongoing training shall include:
- a) New techniques in suicide and crisis identification and intervention.
  - b) Crisis prevention.
  - c) Dialectical behavioral strategies.
  - d) Screening for physical health problems that may precipitate crisis.
  - e) Using the LOCUS to indicate and plan for needs.
  - f) Gender specific trauma.
- 5) The applicant shall develop skills and competencies for recovery-based team members through teaching, training and ongoing education. This training shall include a systematic approach to ensure use and improvement of those skills. Some of those recovery based skills include:
- a) Provision of services in a warm, welcoming manner.

- b) Use of motivational enhancement techniques.
  - c) Treatment of individuals with a co-occurring substance use disorder.
  - d) Trauma informed/sensitive services.
- 6) Interning of new Certified Peer Specialists with experienced mental health workers or experienced peer specialists for a period of three (3) months.

## **2. Administrative**

- a. Services shall have confirmation of authorization by the DIVISION's utilization management process. Registration of consumers on the ACCESS Line need to occur, and in accordance with the DIVISION's processes as outlined in current DIVISION policies and procedures and directives from the DIVISION Chief. It is the responsibility of each program to understand and follow these policies, procedures, and directives in order that reimbursement can be approved by the DIVISION. Authorization of services is not a guarantee of payment.
- b. The applicant shall accept all referrals deemed appropriate by the DIVISION's utilization management process. If the applicant is unable to meet the needs of the referral, the applicant shall work conjointly to find an alternate approach that will adequately meet the needs of the referred case.
- c. There will be a single point of accountability for each consumer entering the system that will be responsible for the continuity of communication, care, and follow up regardless of service, setting, or provider. In most cases, the single point of accountability will be the DIVISION designated case manager.
- d. All consumers shall be registered for services and have a record open within the DIVISION'S information system. When requested by the DIVISION, the applicant shall obtain and provide the information necessary to register, open and monitor services received. Applicants shall also report all required information when cases are closed or consumers transferred to another level of care within one

(1) working day of such action. All recipients shall be registered with the DIVISION and authorized for services as appropriate.

- e. The applicant shall cooperate with the coordination and the transition of services for newly enrolled consumers with the consumer's current DIVISION provider, Medicaid fee-for-service provider, Community Care Services (CCS), and/or a QUEST health plan, since many of the eligible consumers already have an established behavioral health care provider.

Individuals who are receiving services from the Child and Adolescent Mental Health Division (CAMHD), and will no longer be eligible for services (age 21) with CAMHD, will also need to be transitioned to the DIVISION, if determined to meet DIVISION eligibility criteria, or back to their QUEST health plan or Medicaid fee-for-service if they are determined to no longer meet DIVISION criteria for continued enrollment.

If the consumer is to be enrolled in the DIVISION from a QUEST health plan, CAMHD, fee-for-service program, or CCS, the disenrolling program and the applicant shall equally assist the consumer in the transition process.

- f. All providers shall submit a rate schedule which outlines charges made to consumers for service(s) rendered.

DIVISION consumers shall not be charged finance charges, co-payments for services or no-show fees. Consumers must be informed that they cannot be terminated by the applicant for non-payment of co-payments, finance charges, no-show fees, and non-covered services or for receipt of services from unauthorized applicant employees or providers.

### **3. Quality assurance and evaluation specifications**

- a. The purpose of quality management is to monitor, evaluate, and improve the results of the applicant's services in an ongoing manner. Quality care includes, but is not limited to:
  - 1) Provision of services in a timely manner with reasonable waiting times;

- 2) Provision of services in a manner which is sensitive to the cultural differences of consumers;
  - 3) Provision of services in a manner which is accessible for consumers;
  - 4) Opportunities for consumers to participate in decisions regarding their care;
  - 5) An emphasis on recovery;
  - 6) Appropriate use of services in the provision of care;
  - 7) Appropriate use of best practices and evidence-based practices;
  - 8) Appropriate documentation, in accordance with defined standards;
  - 9) Improved clinical outcomes and enhanced quality of life;
  - 10) Consumer satisfaction;
  - 11) User friendly grievance procedures which resolve issues in a timely manner; and
  - 12) Upholds consumer rights.
- b. The applicant's quality management program must include at a minimum the content indicated in Section 3, II.
- c. The applicant shall participate in the DIVISION's continuing quality management program and activities as directed by the DIVISION. The applicant shall ensure that a staff member be available to participate in system-wide quality management meetings as scheduled by the DIVISION.
- d. The Quality Management reporting requirements provide
- 1) Information on the activities and actions of the applicant's Quality Management and related programs; and

2) Performance measures.

The objectives of the performance measures are:

- a) To standardize how the applicant specifies, calculates and reports information; and
- b) To trend an applicant's performance over time and to identify areas with opportunities for improvement.

e. Required Quality Management Activities Reports

The applicant shall provide the following reports and information:

- 1) Annual consumer satisfaction survey report.
- 2) Written notification of any Quality Management Program (if written Program required) modifications.
- 3) Senior personnel changes, including professional staff/consultants, within thirty (30) calendar days of change.
- 4) Annual Quality Management Program evaluation if written Quality Management Program required.
- 5) Written request for approval of any delegation of quality management activities to subcontractors and providers.
- 6) Written notification of lawsuits, license suspensions, and revocation to provide Medicaid or Medicare services, or other actions brought against the applicant, employees, subcontractors or providers as soon as possible, but no later than five (5) working days after the applicant is made aware of the event.
- 7) Notice to Utilization Management of consumer admission and discharge from services or change in level of care in writing within one (1) working day of such action.

- 8) Written notification of suspected fraud within thirty (30) calendar days of discovery, and of consumer abuse and neglect immediately upon discovery.
- 9) Report of the Quality Management activities conducted quarterly. At a minimum these reports shall include the following:
  - a) Number of cases selected for quality of care reviews and medical record documentation. Minimum data for each case selected for review shall include (1) sample of records reviewed; (2) findings; (3) actions taken, if applicable; and (4) progress toward meeting performance goals established by agency Quality Management Committee.
  - b) Aggregated report of any suspected consumer, employee, subcontractor, or provider fraud and the status of any investigations.
  - c) Participation with monitoring activities designated by the DIVISION.
  - d) Direct care staff and provider to consumer ratios.
  - e) Direct care staff and provider turnover rates.
  - f) A report on consumer grievances and appeals. Minimum data for each case shall include: (1) date of grievance or appeal; (2) date of service; (3) type of service; (4) consumer name, age, diagnosis; and (5) date of resolution.
  - g) Sentinel events.

#### **4. Output and performance/outcome measurements.**

The applicant shall be required to meet ongoing informational needs of the DIVISION over the course of the contract period through the production of informational responses in both paper and computer format. The specific content of these requests cannot be readily specified in advance as the DIVISION is

required to provide a variety of ad hoc reports to funding sources including the legislature and other branches of State government, as well as to national tracking and research groups, the Federal government, advocacy organizations, accreditation bodies, professional groups, stakeholder groups, and others. Regular requests for information to the applicant shall occur in the following areas, including consumer demographics, consumer needs, clinical and service information including encounter data, staffing and capacity patterns, risk management areas, consumer outcomes, regulatory compliance, organizational processes, resource utilization, and billing and insurance areas. The DIVISION will work with the applicant over the contract period to streamline requests for information when those requests are regular and ongoing.

**5. Experience**

The PROVIDER shall have at least two (2) years experience in the provision of services to the severely and persistently mentally ill population.

**6. Coordination of Services**

The PROVIDER shall participate in the planning and development of recovery-based forensic services in Interim Housing with mental health providers, case management, treatment teams, forensic coordinators, probation officers, parole officers, police, the courts, emergency rooms, primary care providers, inpatient units, psychosocial rehabilitation programs and other healthcare resources

**7. Reporting requirements for program and fiscal data**

- a. Reports shall be submitted in the format and by the due dates prescribed by the DIVISION.
- b. The required content and format of all reports shall be subject to ongoing review and modification by the DIVISION as needed.
- c. At the discretion of the DIVISION, providers may be required to submit reports in an approved electronic format, replacing some written reports.

## **8. Contract Compliance**

The State performs periodic reviews, including validation studies, in order to ensure contract compliance. The State is authorized to impose financial penalties if the data is not provided timely and accurately.

The DIVISION reserves the right to request additional data, information and reports from the applicant, as needed, to comply with external requirements and for its own management purposes.

### **1) Timeliness of Data Submitted**

All information, data, medical records, and reports shall be provided to the DIVISION by the specified written deadlines. The applicant shall be assessed a penalty of \$200.00 per day until the required information, data, medical records, and reports are received by the DIVISION. If the applicant will not be able to comply with the request, the applicant may ask for an extension in writing with an explanation to justify the extension. The DIVISION reserves the right to determine if an extension is acceptable and set a new date for submission.

The applicant, shall in turn, sanction its subcontractors and providers if the required information, data, medical records, and reports are not provided to the applicant within the timeframe established by the applicant.

### **2) Accuracy and Completeness**

The information, data, medical records, and reports provided to the DIVISION shall be reasonably accurate and complete. Data and reports shall be mathematically correct and present accurate information. The applicant shall be notified within thirty (30) calendar days from the receipt date of the initial submission of any information, data, medical records, and reports that do not appear to be accurate and complete. The applicant shall be given thirty (30) calendar days to correct the errors or provide documentation to support the accuracy of the initial submission. If at the end of the thirty (30) calendar days the new submission continues to not be accurate or complete, a penalty will be assessed.

**9. Pricing structure or pricing methodology to be used.**

The pricing structure is based on fixed unit of service rate. If a state purchasing agency is utilizing a fixed rate pricing structure for the RFP, the applicant is requested to furnish a reasonable estimate of the maximum number of service units it can provide for which there is sufficient operating capacity (adequate, planned and budgeted space, equipment and staff).

**10. Units of Service and Unit Rate**

<u>Services</u>	<u>Rate Schedule</u>
Interim Housing	\$195.06 per bed, per day, per consumer

**IV. Facilities**

Interim Housing programs shall adhere to the following facility quality standards:

1. The facility shall be structurally sound so as not to pose any threat to the health and safety of the consumer and to protect consumers from the elements.
2. The facility shall be accessible and capable of being utilized without unauthorized egress and regress through other private properties. The facility shall provide multiple means of egress in case of fire.
3. Each consumer shall be provided a bedroom with adequate space and security for the consumer and the consumer's personal effects.
4. Every room in the facility shall be provided with natural or mechanical ventilation, including windows or air conditioning units. The facility shall be free of pollutants that threaten the health of consumers.
5. Consumers shall have access to bathrooms that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness.
6. The facility shall have adequate lighting provided by either a natural source, such as sunlight, or by artificial means, including light fixtures.
7. Consumers shall have access to a kitchen which has adequate space and appliances, including, refrigerators, stoves, and microwave.

8. All equipment and appliances in the facility shall be operational and in sanitary condition.
9. The facility shall include, at a minimum, one battery-operated or hard-wired smoke detector on each level of the facility, which shall be in proper working condition. Smoke detectors shall be located in each bedroom and in a hallway adjacent to a bedroom. If hearing impaired consumers occupy the facility, a smoke detector with an alarm system designed for the hearing-impaired shall be provided in each bedroom occupied by a hearing impaired consumer.
10. The facility shall develop and adhere to health, fire, and safety regulations within the residence in accordance with State, City, County, and accreditation standards. Provide supervision to consumers to ensure adherence to health, safety, and fire regulations and standards.
11. The staff shall supervise consumers to ensure that they maintain the facility or group home in a clean, safe, and usable manner. The facility or group home will be “homelike” and comfortable with evidence of individual possessions and decorations. Whenever possible each consumer will have the choice of a private room or the opportunity to participate in the selection of roommates.

## **Section 3**

# **Proposal Application Instructions**

## Section 3

# Proposal Application Instructions

### General instructions for completing applications:

- *Proposal Applications shall be submitted to the state purchasing agency using the prescribed format outlined in this section.*
- *The numerical outline for the application, the titles/subtitles, and the applicant organization and RFP identification information on the top right hand corner of each page should be retained. The instructions for each section however may be omitted.*
- *Page numbering of the Proposal Application should be consecutive, beginning with page one and continuing through for each section. **See sample table of Contents***
- *Proposals may be submitted in a three ring binder (Optional).*
- *Tabbing of sections (Recommended).*
- *Applicants must also include a Table of Contents with the Proposal Application. A sample format is reflected in Section 5, Attachment B of this RFP.*
- *A written response is required for **each** item unless indicated otherwise. Failure to answer any of the items will impact upon an applicant's score.*
- *Applicants are **strongly** encouraged to review evaluation criteria in Section 4, Proposal Evaluation when completing the proposal.*
- *This form (SPO-H-200A) is available on the SPO website (for the website address see the Proposal Application Checklist in Section 5, Attachments). However, the form will not include items specific to each RFP. If using the website form, the applicant must include all items listed in this section.*

### The Proposal Application comprises the following sections:

- *Proposal Application Identification Form*
- *Table of Contents*
- *Program Overview*
- *Experience and Capability*
- *Project Organization and Staffing*
- *Service Delivery*
- *Financial*
- *Other*

## **I. Program Overview**

Applicant shall give a brief overview to orient evaluators as to the program/services being offered.

## **II. Experience and Capability**

### **A. Necessary Skills**

The applicant shall demonstrate that it has the necessary skills, abilities, and knowledge relating to the delivery of the proposed services.

### **B. Experience**

The applicant shall provide a description of projects/contracts, including references, pertinent to the proposed services. The applicant shall include points of contact, addresses, e-mail addresses, and phone numbers. The State reserves the right to contact references to verify experience.

### **C. Quality Assurance and Evaluation**

The applicant shall describe its own plans for quality assurance and evaluation for the proposed services, including methodology.

Quality assurance shall include, but not be limited to, the following elements:

1. A written Quality Management Program description and outlined structure which includes the Quality Committee reporting structure, including Governing Board Involvement, voting composition, and a written process for goal and priority setting following standardized methodology and data collection, which is updated and signed annually.
2. The Quality Management Program must address consumer complaints, grievances, appeals, sentinel events and consumer satisfaction.
3. The Quality Management Program must have a system or policy that outlines how items are collected, tracked, reviewed analyzed and reported to the DIVISION as appropriate.
4. The Quality Management Program Work Plan is established annually and selects goals and activities that are based on the annual program evaluation and are relevant to the DIVISION consumer and problem area under review, with designated timelines for the project and indicates department/persons responsible for carrying out the project(s) on the Work Plan.

5. Provision for the periodic measurement, reporting, and analysis of well-defined output, outcome measures and performance indicators of the delivery system, and an indication of how the applicant will use the results of these measurements for improvement of its delivery system.
6. A process of regular and systematic treatment record review, using established review criteria. A report summarizing findings is required. Additionally, the applicant shall develop a written plan of corrective action as indicated.
7. Provision of satisfaction surveys of consumers.
8. Assurance that a staff member shall be available to represent utilization and quality management issues at meetings scheduled by the DIVISION.
9. Provision of a utilization management system, including but not limited to the following: a) system and method of reviewing utilization; b) method of tracking authorization approvals; c) method of reviewing invoices against authorizations; d) consumer appeals process; e) annual evaluation of the applicant's utilization management plan; and, g) identification of the person in the organization who is primarily responsible for the implementation of the utilization management plan.
10. A policy and procedure for consumer complaints, grievances and appeals which includes documentation of actions taken, and demonstration of system improvement.
11. Assurance that the applicant has established and will maintain and regularly update the following QM policies and procedures:
  - a. Consumer complaints, grievances and appeals
  - b. Consumer Safety
  - c. Consumer Satisfaction
  - d. Disaster preparedness
  - e. Emergency Evacuation
  - f. Evidence Based Practice Guidelines
  - g. LOCUS/Level of Care Placement
  - h. Compliance

- i. Consumer Rights and Orientation
  - j. Confidentiality/HIPAA
  - k. Treatment Records
  - l. Individualized Service Plans
  - m. Transition of consumers to other programs
  - n. Treatment Team
  - o. Use of Restraints
  - p. Restricting Consumer Rights
  - q. Credentialing Staff
12. A training plan and staff handbook/personnel manual for staff that is responsible for delivery of services. Training shall include but not be limited to: Substance Abuse, Forensics, Sentinel Events, Risk Management, Compliance, HIPAA Compliance, Consumer Rights, Treatment Planning, and Access and Treatment for Non-English Speaking Consumers.
  13. A consumer handbook/brochure(s) that outline services available to the consumer, hours of operations, contact information (phone numbers, and instructions on emergency services), is written at a 6<sup>th</sup> grade reading level, provides an overview and the applicant's approach to care, and clearly outlines any major program rules that could lead to discharge from services offered by the organization.
  14. A description of the steps that the applicant will take to comply with all of the DIVISION'S reporting requirements as specified in Section 2. III. B. 2., 4., and 7. The applicant shall also indicate how it will use the information in the report to improve its services.
  15. Where there is an intention to subcontract, the applicant must demonstrate that services provided by the subcontractor are consistent with all applicable requirements specified in Section 2 including, but not limited to, compliance with reporting requirements. The applicant must describe the monitoring it will perform to ensure subcontractors are compliant with the DIVISION requirements.
  16. For applicants whose annual contract or estimated reimbursements will be less than \$100,000.00 or whose staff number five (5) or less, a modified

Quality Management and Utilization Management Plan are acceptable with prior approval from the DIVISION. A modified quality and utilization management system shall include the following:

- a. A method for tracking authorizations.
  - b. A method for assuring that consumers are informed of their rights, including the right to file a complaint, grievance, or appeal a service delivery decision.
  - c. A method of documenting goals and service activity as they relate to the Individual Service Plan developed by the DIVISION designated case manager and consumer.
  - d. Consumer involvement in service planning.
  - e. Statement that the applicant will participate in the use of outcome instruments at the discretion of the DIVISION.
  - f. Identification of fiscal and program contact person.
17. For services described in this RFP, a statement that the applicant shall participate with the DIVISION'S quality and utilization management process including, but not limited to, case reviews, specific data gathering and reporting, peer review, concurrent review, site visitation, special studies, monitoring, credentialing, and training.

#### **D. Coordination of Services**

The applicant shall demonstrate the capability or plan to coordinate services with other agencies and resources in the community, if required in the RFP.

Demonstration or plan of the applicant's coordination efforts shall include, but not be limited to, the following:

1. A history of the applicant's cooperative efforts with other providers of mental health services.
2. Memorandum of agreements with other agencies (if required in the RFP).
3. Applicant's current efforts to coordinate with the DIVISION, CENTERS, HOSPITAL, and other POS providers, and where there is no current coordination, the applicant's plans to do so.

**E. Facilities**

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable and special equipment that may be required for the services.

**F. Management Information System (MIS) Requirements**

The applicant shall submit a description of its current management information system (MIS) and plans for the future. The description shall include, but not be limited to, the following:

1. A statement about whether the applicant is a covered entity as defined by HIPAA. A statement that the applicant will comply with all HIPAA privacy, security and transactional code set requirements.
2. An explanation of how the applicant currently manages information in order to submit required information and data in the format prescribed by the DIVISION. Required data elements captured in the provider system and reported to the DIVISION may include, but are not limited to: consumer's last name, first name, middle name, any aliases, social security number, DIVISION-generated unique ID number, DIVISION-generated authorization number(s), Medicaid ID#, medicare ID#, other third party insurer #'s, address, telephone number, admission date, discharge date, service data using DIVISION approved procedure codes, date of birth, and gender, primary language spoken.
3. The DIVISION may add data reporting requirements or specify required formats for downloading data or submitting claims in the future. Applicants are encouraged to describe their flexibility in meeting changing data requirements.
4. For any Fixed Unit of Service Rate contracts, a statement that the applicant shall submit claims electronically in the 837 format.
5. Where infrastructure is lacking to meet MIS requirement, applicants shall propose solutions and include the proportion of cost related to this contract in their response to the RFP.

### **III. Project Organization and Staffing**

#### **A. Staffing**

##### **1. Proposed Staffing**

The applicant shall describe the proposed staffing pattern, client/staff ratio and proposed caseload capacity appropriate for the viability of the services. The applicant shall give the number and title of the positions needed to provide the specific service activities. Positions descriptions shall also be submitted. Refer to the personnel requirements in the Service Specifications, as applicable.

##### **2. Staff Qualifications**

The applicant shall describe in this section of its proposal how it will ensure its compliance with the personnel requirements, which includes, but not limited to, licensure, educational degrees, and experience for staff assigned to the program. Refer to Section 2.III.B.1. for personnel requirements of staff delivering specific service activities.

#### **B. Project Organization**

##### **1. Supervision and Training**

The applicant shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

##### **2. Organization Chart**

The applicant shall reflect the position of each staff and line of responsibility/supervision. (Include position title, name and full time equivalency) Both the "Organization-wide" and "Program" organization charts shall be attached to the Proposal Application.

### **IV. Service Delivery**

#### **A. Scope of Work**

Applicant shall include a detailed discussion of the applicant's approach to applicable service activities and management requirements from Section 2, Item III. - Scope of Work, including (if indicated) a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timelines/schedules.

The applicant's description of its service delivery system shall include, but not be limited to, the following:

1. A clear description of the services for consumers from point of entry to discharge, aftercare and follow-up. The description must be consistent with the scope of work found in Section 2.III.A. and with the personnel requirements in Section 2, III.B.1. Services proposed to be subcontracted out must be included in this description.
2. A clear description of the target population to be served.
3. A reasonable estimate of the number of consumers it could serve and, where applicable, an indication of its total capacity (e.g. total beds available), and the number of units it will provide.
4. A description of the methods the applicant will use to determine when treatment goals are accomplished and when to terminate services
5. A description of the accessibility of services for the target population, and a description of impediments to services and efforts to overcome barriers.
6. A statement that the applicant shall not refuse a referral, and that it shall not have an exclusionary policy that is inconsistent with the DIVISION'S guidelines.
7. An indication of the "best practices/evidence-based practices" the applicant incorporates and a citation of the literature to support its "best practices/evidence-based practices". A description of the system it uses to implement and maintain its "best practice/evidence-based practices" program integrity.
8. Where applicable, demonstration that the applicant is capable of providing twenty-four (24) hour coverage for services.
9. For services with twenty-four (24) hour, seven (7) days a week coverage, description of how the applicant's on-call system works, i.e., methodology relative to applicant's answering service. Specifically describe how consumers access applicant's service and staff availability.
10. Where the service is housing, residential or day treatment / intensive outpatient hospital service, a weekly schedule that can be individualized to consumers and consistent with the requirements of the scope of services described in Section 2.III.A.
11. A description by the applicant of the involvement of the consumer in the decisions regarding the services the consumer receives.

12. A statement by the applicant that it is ready, able, and willing to provide services throughout the time of the contract period.
13. A statement by the applicant that it has read and understands the Request for Proposal and will comply with the DIVISION requirements.

**B. General Requirements**

The applicant shall describe in this section of its proposal how it will comply with the general requirements specified in Section 2. II.

**C. Administrative Requirements**

The applicant shall describe in this section of its proposal how it will comply with the administrative requirements specified in Section 2 III.B.2.

**V. Financial**

**A. Pricing Structure**

Applicant shall submit a cost proposal utilizing the pricing structure designated by the state purchasing agency. The cost proposal shall be attached to the Proposal Application.

The DIVISION is permitting the use of a fixed unit of service rate pricing structure for the RFP, the applicant is requested to furnish a reasonable estimate of the maximum number of service units it can provide for which there is sufficient operating capacity (adequate, planned and budgeted space, equipment and staff). All budget forms, instructions and samples are located on the SPO website (see the Proposal Application Checklist in Section 5 for website address). The following budget forms shall be submitted with the Proposal Application:

- SPO-H-205 – Budget
- SPO-H-205A – Organization-Wide Budget by Source of Funds (special instructions are located in Section 5)
- SPO-H-206A – Budget Justification – Personnel: Salaries & Wages
- SPO-H-206B – Budget Justification – Personnel: Payroll Taxes, Assessments & Fringe Benefits
- SPO-H-206C – Budget Justification – Travel-Inter-Island
- SPO-H-206D – Budget Justification – Travel-Out of State
- SPO-H-206E – Budget Justification – Contractual Services - Administrative
- SPO-H-206F – Budget Justification – Contractual Services - Subcontracts
- SPO-H-206H – Budget Justification – Program Activities
- SPO-H-206I – Budget Justification – Equipment Purchases

- SPO-H-206J – Budget Justification – Motor Vehicle

## **B. Other Financial Related Materials**

### **1. Accounting System**

In order to determine the adequacy of the applicant's accounting system as described under the administrative rules, the following documents are requested as part of the Proposal Application (may be attached):

- a. The applicant shall submit a cost allocation plan showing how costs are allocated across different funding sources.
- b. Also, the applicant shall submit a copy of its most recent audited or compiled financial statements.

2. The applicant shall describe all eligible sources of revenue from third parties and plans to pursue additional sources of revenue and how the applicant will prevent billing more than one payer and submit overpayments to the DIVISION. The applicant may not bill other payers for services already paid for by the DIVISION or bill the DIVISION for services eligible for payment by another payer.
3. The applicant shall describe its billing/claims process and how it ensures accurate and timely submission of billing/claims based on written documentation which supports the bill/claim, and how it processes adjustments, reconciles payment, and posts payment.

## **VI. Other**

### **A. Litigation**

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

## **Section 4**

# **Proposal Evaluation**

# Section 4

## Proposal Evaluation

### I. Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

### II. Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of Proposal Application
- Phase 3 - Recommendation for Award

#### Evaluation Categories and Thresholds

<u>Evaluation Categories</u>	<u>Possible Points</u>
<i>Administrative Requirements</i>	
<i>Proposal Application</i>	<b>100 Points</b>
Program Overview	0 points
Experience and Capability	20 points
Project Organization and Staffing	15 points
Service Delivery	55 points
Financial	10 Points
<b>TOTAL POSSIBLE POINTS</b>	<b>100 Points</b>

### III. Evaluation Criteria

#### A. Phase 1 - Evaluation of Proposal Requirements

##### 1. Administrative Requirements

##### 2. Proposal Application Requirements

- Proposal Application Identification Form (Form SPO-H-200)
- Table of Contents
- Program Overview
- Experience and Capability
- Project Organization and Staffing
- Service Delivery
- Financial (All required forms and documents)
- Program Specific Requirements (as applicable)

#### B. Phase 2 - Evaluation of Proposal Application (100 Points)

**Program Overview:** No points are assigned to Program Overview. The intent is to give the applicant an opportunity orient evaluators as to the service(s) being offered.

##### 1. *Experience and Capability* **Total 20 Points**

Up to 10 points may be deducted from agencies who in the past demonstrated unsatisfactory performance.

The State will evaluate the applicant's experience and capability relevant to the proposal contract, which shall include:

##### a. **Necessary Skills** **(5 points)**

- 1) Demonstrated skills, abilities, and knowledge relating to the delivery of the proposed services.
- 2) Demonstrated ability to respond to consumer complaints, appeals and grievances including those brought to the attention of the DIVISION.

##### b. **Experience** **(2 points)**

The applicant possesses the skills, abilities, knowledge of, and experience relating to the delivery of the proposed

services including, but not limited, to previous and current contract performance with the DIVISION and other agencies.

**c. Quality Assurance and Evaluation (4 points)**

Sufficiency of quality assurance and evaluation plans for the proposed services, including methodology.

- 1) The applicant has sufficiently described its quality improvement program which shall include the following:
  - a) Provision of a utilization management system.
  - b) Provision of a quality management program.
  - c) A policy and procedure for consumer complaints, grievances and appeals, documentation of actions taken, and demonstration of system improvement.
- 2) A training plan and staff handbook/personnel manual for staff that is responsible for the delivery of services. The plan includes the required trainings listed in Section 3.II.C.12
- 3) When there is an intention to subcontract, the applicant must demonstrate that the services meet all applicable requirements specified in Section 2, including but not limited to, compliance with reporting requirements. The applicant must adequately describe the monitoring it will perform to ensure subcontractor(s) are compliant with DIVISION requirements.

**d. Coordination of Services (2 points)**

Demonstrated capability to coordinate services with other agencies and resources in the community.

**e. Facilities (2 points)**

Adequacy of facilities relative to the proposed services.

**f. Management Information Systems (MIS) (5 points)**

Demonstrate that their management information system (MIS) shall include, but not be limited to, the following:

- 1) Relative to HIPAA requirements:
  - a) The applicant states whether they are a covered entity.
  - b) The applicant states they will comply with all HIPAA privacy, security, and transactional code set requirements. (No points if statement is absent or applicant cannot comply.)
- 2) Relative to current MIS:
  - a) Applicant is able to collect all required information.
  - b) Applicant currently able to collect some required information with a plan to upgrade the MIS to collect all information by the time the contract begins.
  - c) If applicant is not currently able to collect all required information and unable to do so in the future or no description of implementation plan to collect information, no points shall be applied to applicants that provide this response.
- 3) Relative to the applicant's infrastructure:
  - a) A clear statement that their MIS system is fully functional.
  - b) Inclusion of an implementation plan to create a fully functional MIS system by initiation of a contract.
- 4) In regards to flexibility, a statement that describes flexibility in adding data elements or reporting requirements is addressed in their information system.

- 5) Relative to claims: (applies to contracts based on Fixed Unit of Service Rate)
  - a) The applicant is currently able to produce either paper or electronic 837 file.
  - b) The applicant will be able to produce and electronic 837 file by the time that a contract is initiated.
  - c) The applicant is unable to produce an electronic 837 file but can produce CMS 1500 claims.
  - d) The applicant is unable to produce either an 837 or CMS 1500 now or in the future. (No points to a provider who will not be able to produce a compliant claim).

**2. *Project Organization and Staffing* *Total 15 Points***

The State will evaluate the applicant's overall staffing approach to the service that shall include:

**a. *Staffing* *(10 points)***

- 1) Proposed Staffing: That the proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to insure viability of the services and complies with applicable DIVISION requirements.
- 2) Staff Qualifications: Minimum qualifications (including experience) for staff assigned to the program, comply with applicable DIVISION requirements.

**b. *Project Organization* *(5 points)***

- 1) Supervision and Training: Demonstrated ability to supervise, train and provide administrative direction to staff relative to the delivery of the proposed services and comply with applicable DIVISION requirements.

- 2) Organization charts: Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks.
- 3) Applicable submission of evidence that the applicant is licensed if licensure is required; and for all applicants, accreditation of the service(s) the applicant is applying for if it is an accreditable service.

### 3. *Service Delivery*

**Total 55 Points**

Evaluation criteria for this section will assess the applicant's approach to the service activities and management requirements outlined in the Proposal Application.

Evaluation criteria will include the following:

- a. Demonstrated capability of service delivery system to meet the goals and objectives of the RFP including, but not limited to, appropriateness to consumer populations, communities, and regions.  
**(32 points)**
- b. A clear description of the services for consumers from point of entry to discharge, aftercare and follow-up. Any services subcontracted out must be included in the description.  
**(5 points)**
- c. A reasonable estimate of the number of consumers it will serve and where applicable of the number of units it will provide.  
**(2 points)**
- d. A statement that the applicant shall not refuse a referral, and that it shall not have an exclusionary policy that is inconsistent with the DIVISION's guidelines. **(1 point)**
- e. The program incorporates "best practices/evidence-based practices," has literature to support this, and has a system for implementing and maintaining best practice program integrity.  
**(5 points)**
- f. A statement to assure that the applicant shall conform to the DIVISION's standardized assessment package. **(1 point)**

- g. Where the service is a housing, residential or day treatment/intensive outpatient hospital service, a weekly schedule that is individualized to consumers and consistent with requirements of the scope of services described in Section 2 is provided. **(2 points)**
- h. If applicable, a description by the applicant of their intent and plan to incorporate the services of the consumers through employment opportunities within their organization. **(NA)**
- i. A description by the applicant of the involvement of the consumer in the decisions regarding the services the consumer receives. **(5 points)**
- j. A statement by the applicant that is ready, able, and willing to provide services throughout the time of the contract period. **(1 point)**
- k. A statement by the applicant that is has read the Request for Proposal and will comply with DIVISION requirements. **(1 point)**

**4. Financial Total 10 Points**

**a. Pricing structure based on fixed unit of service rate**

- 1) Applicant's proposal budget is reasonable, given program resources and operational capacity.
- 2) A cost allocation plan clearly describes the allocation of funds across different funding sources.
- 3) The submission of a copy of the most recent audit report or compiled financial statement.
- 4) Adequacy of accounting system.
- 5) An indication of the third party reimbursements the applicant is eligible to receive and of the plans the applicant has made or is making to obtain as many third party reimbursements as possible without collecting payment from more than one payer.

**b. Eligible Sources of revenue**

Description of all eligible sources of revenue from third parties and plans to pursue additional sources of revenue.

**C. Phase 3 - Recommendation for Award**